

### Partners

Key stakeholders, representing organizations, Governments, private sector associations, academia and foundations, such as the European Commission, OECD, UNEP, the ACP Group of States, ILO, Governments of Italy and The Netherlands, EURATEX, COTANCE, SLCP, ICS, SEDEX, SAC, Textile Exchange, MFI, Bocconi University and Cittadellarte Fashion B.E.S.T.

## For more info

https://www.unece.org/tradewelcome/outreach-and-support-for-trade-facilitation/traceability-for-sustainable-value-chains-textile-and-leather-sector.html

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# Traceability of Sustainable Value Chains

Enhancing transparency in the garment and footwear sector for informed and responsible choices





# HOW TRACEABILITY AND TRANSPARENCY CAN MAKE GARMENT AND FOOTWEAR VALUE CHAINS MORE RESPONSIBLE AND SUSTAINABLE

The garment and footwear industry is one of the most polluting industries, responsible for more than 1,7 mln tons of CO2 emissions per year, and 90 mln tons of waste per year. Only 13% of clothing is recycled after its use, cascading mainly into less-value uses, while merely 1% is recycled in a closed-loop into new clothing. Not to mention the health impacts, as about 8% of dermatological diseases are reported to be caused by the chemicals in the clothing and footwear we wear. With current trajectories of production and consumption, these pressures will intensify by 2030.

Global and complex value chains, with production facilities scattered all over the world and widespread practices of illegitimate subcontracting and undeclared informal work, make it very hard to gain accurate information about how and where such impacts occur. In order to increase the industry's ability to manage its value chain more sustainably, both consumers and businesses must first be aware of the nature and magnitude of these risks. Improving both traceability and transparency of value chains has therefore become a priority.

Presenting the information in a standardized way supports common understanding, accessibility, clarity and comparison, and fosters credible communication towards consumers and the general public. In 2017, one third of the 100 largest global fashion brands have traced and made publicly available their list of tier-one suppliers, which represents a significant growth from 12% in 2016 (GFA and BCG 2018). But disclosing information about the tier-one suppliers is not enough. Traceability is required through the whole value chain, as most sustainability risks occurr in its upstream part, and particularly at the raw material production stage.

#### **THE PROJECT**

To address such challenges, the International Trade Centre (ITC, an agency of the WTO/UN) and the United Nations Economic Commission for Europe (UNECE) with its Centre for Trade Facilitation and e-Business (UN/CEFACT), have launched a project for enhancing transparency and traceability of sustainable value chains in the garment and footwear sector, from raw material production to retail.

It builds on their vast experience and expertise in supporting policies, regulations, standards and tools, which guide value chains towards more responsible production and consumption patterns, in line with Sustainable Development Goal (SDG) 12 of the UN Agenda 2030.

The project will be implemented over the period 2018 to 2021.

### **OUTPUTS**

The **overall objective** is to strengthen sustainable consumption and production patterns in the garment and footwear sector, through the development and implementation of an international Framework Initiative and a Transparency and Traceability Tool. The outputs will help both government and industry partners to take risk-informed decisions and operate along a set of internationally agreed practices, thus increasing transparency vis a vis the final consumers. It consists of the following key **components**:

**OUTPUT n°1**: A Multi-stakeholder policy dialogue platform and policy recommendations towards enhanced transparency and traceability for sustainable value chains in the sector. **OUTPUT n°2**: Traceability standards and implementation guidelines.

**OUTPUT n°3**: A transparency and traceability tool, for customized, open self-assessment and data sharing solutions for value chain stakeholders.

**OUTPUT n°4**: Piloting of the policy recommendations, standards and transparency and traceability tool.

**OUTPUT n°5**: Training and continuous improvement programme in collaboration with strategic partners.

